



ESKOM

1.

ESKOM'S RENEWABLE ENERGY EXPERIENCE

THULANI S GCABASHE
ESKOM

VILLAGE POWER '98
Washington DC
October '98



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2.

BACKGROUND ON ESKOM

- **Vertically integrated national Utility**
- **39 000 Employees**
- **Nominal generating capacity 38 497 MW**
- **National Transmission Grid integrated with Southern African Power Pool (SAPP)**
- **1997 Sales 172 000 GWH (4% Growth)**



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3.

BACKGROUND ON ESKOM (CONTINUED)

VISION

- **To provide the world's lowest-cost electricity for growth and prosperity**

MISSION

- **To satisfy all our customers' electricity needs in the most cost-effective way**

STRATEGY

- **To develop ESKOM as a business that maximises the value of its products and services to South Africa.**



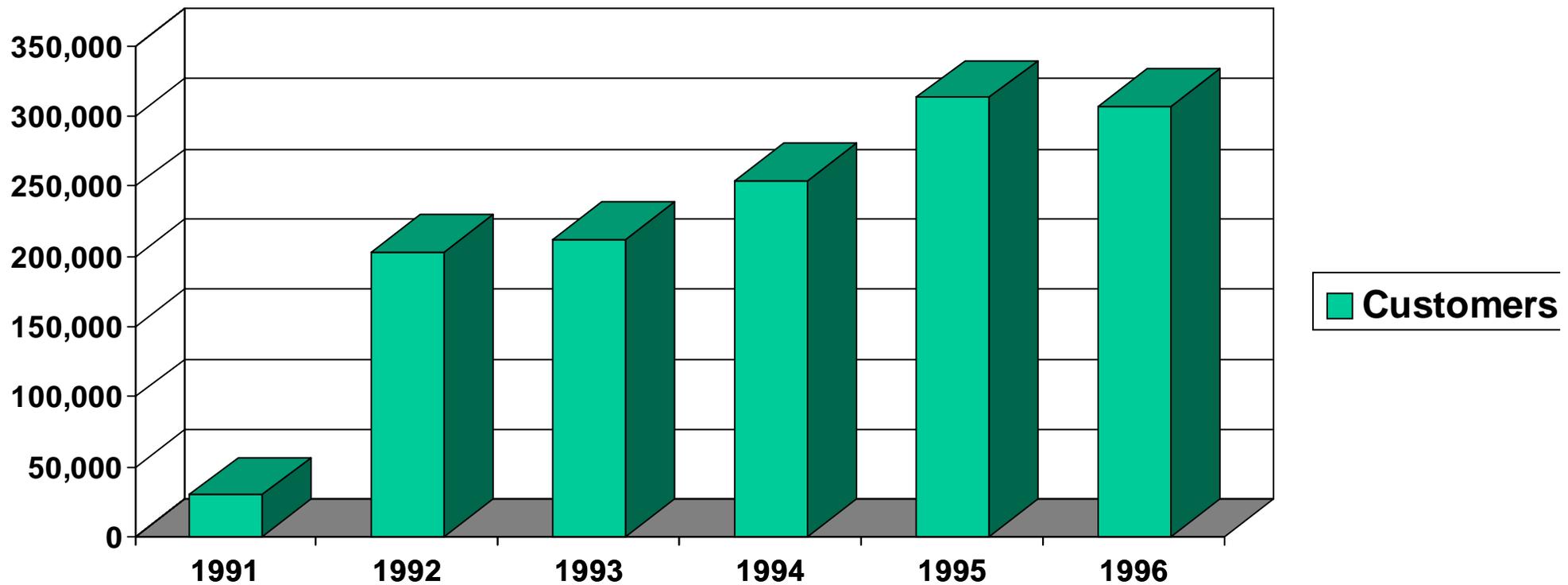
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4.

CUSTOMER ELECTRIFICATION PROGRAMME

1991	1992	1993	1994	1995	1996	1997	ITD TOTAL
30,000	202,877	211,798	254,383	313,179	307,047	274,345	1.593,629

Customer Electrification

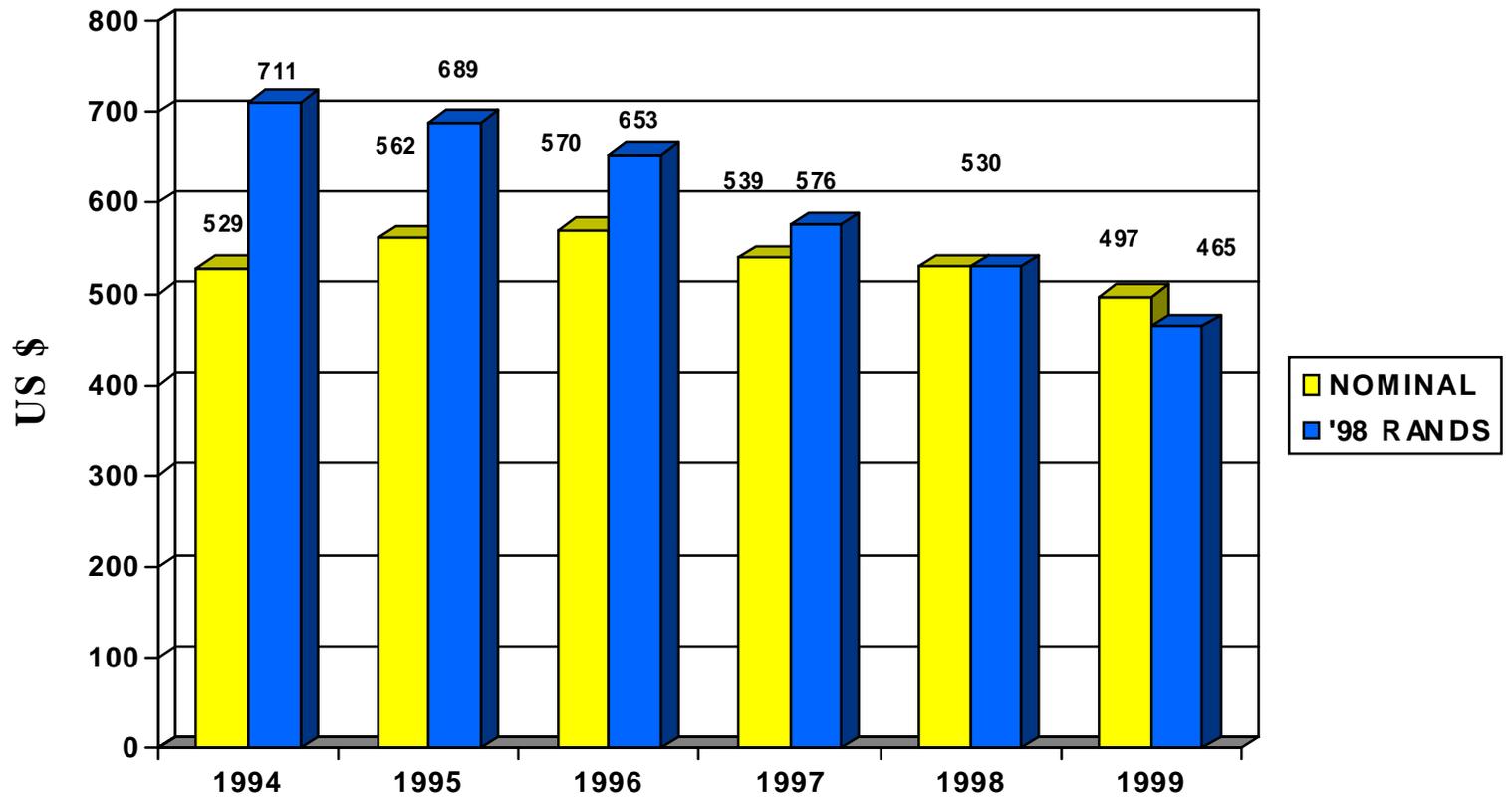




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5.

COST PER CONNECTION 1994 - 1999 (US \$)



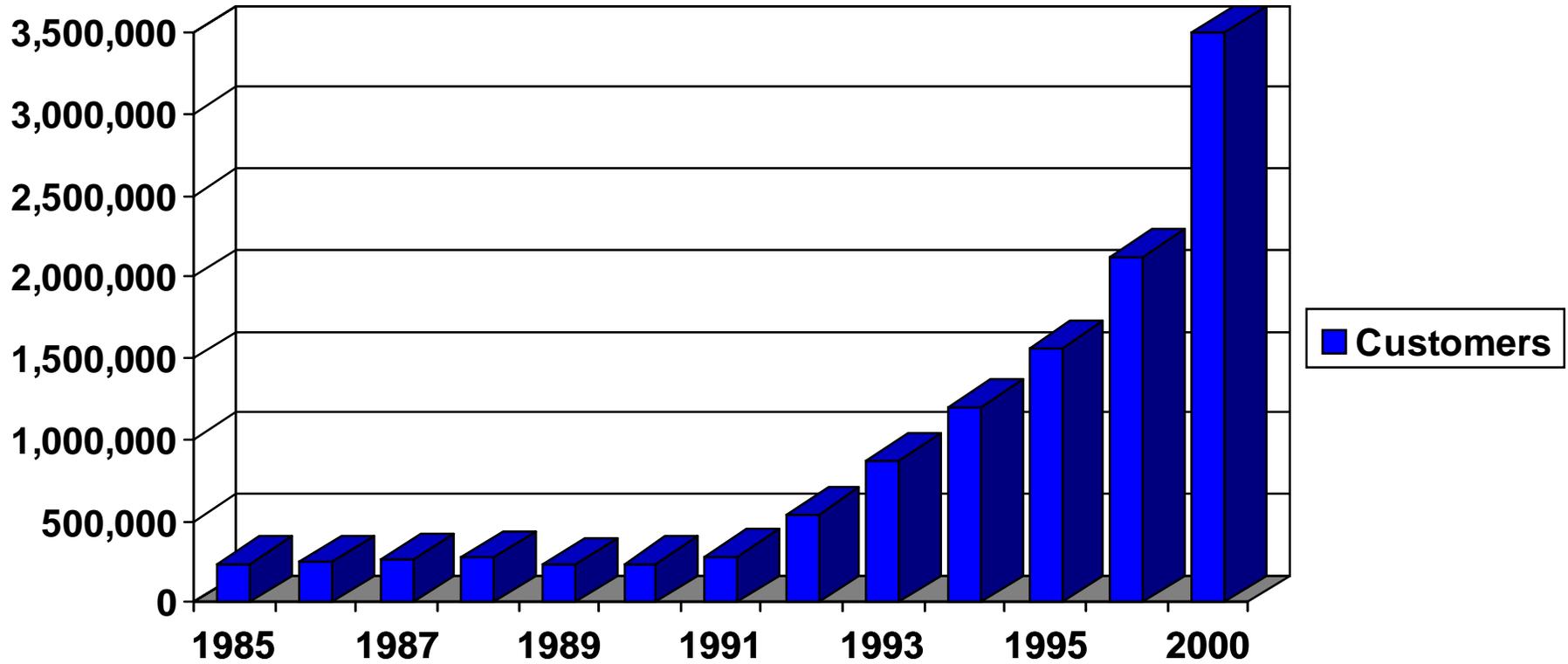


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6.

Growth in Customer Numbers

Growth in Customer Numbers





7.

Customer Electrification Programme

		1991	1992	1993	1994	1995	1996	ITD Total	Target
Electrification	Customers	30,000	202,877	211,798	254,383	313,179	307,047	1,319,284	1,750,000

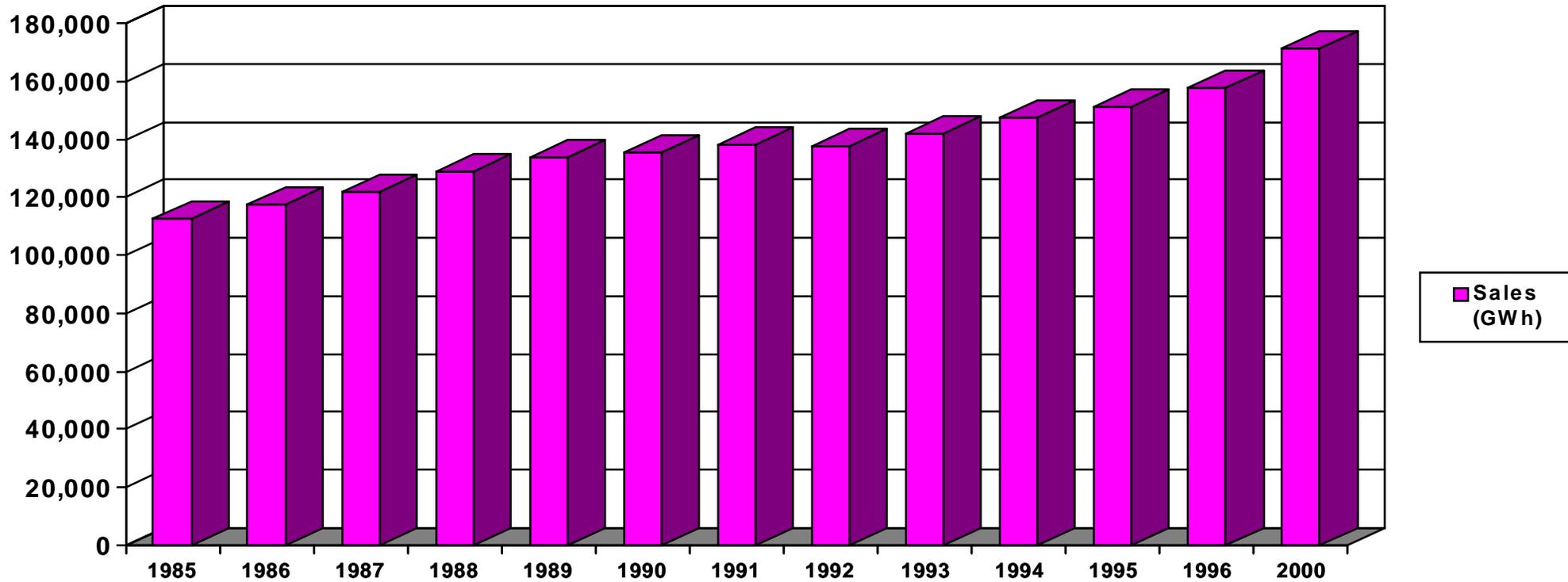


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8.

Growth in Total Sales

Growth in Total Sales





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9.

CUSTOMER SERVICE BUSINESS ARCHITECTURE

- **CHANGE DRIVERS**

- ✧ **Change from wholesaler to retailer**
- ✧ **Rapid growth and change in customer mix**
- ✧ **Systems antiquated and not flexible**
- ✧ **Business approach not customer focused**
- ✧ **Positioning for changes in the Electricity Distribution Industry**

STRATEGIC ALIGNMENT

- **Standard and uniform customer service**
- **Distribution Business to be process orientated**
- **Transformation Objectives**
 - ✧ **Improve customer satisfaction**
 - ✧ **Reduce service transaction cost per customer**
 - ✧ **Adhere to National Electricity Regulator's Standards**



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11.

CUSTOMER RELATIONS PROGRAMME

- **August 1993 development team set up - defined future state**
- **Understanding the customer**
 - ✧ **101 service requirements**
 - ✧ **Service standards per customer segment**
 - ✧ **Service charter**



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12.

CUSTOMER RELATIONS PROGRAMME

- **Key value chains defined**

 - Customer orders**

 - ✧ **Fault management**
 - ✧ **Account payments**
 - ✧ **Customer queries**

- **Benchmarking against overseas utilities**



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13.

CUSTOMER RELATIONS PROGRAMME

- **BUSINESS ARCHITECTURE**
- **Architecture Building Blocks**
 - ✧ **Corporate Head Office**
 - ✧ **Regional Head Office**
 - ✧ **Customer Care Centre (call centre, account operations, processing centre)**
 - ✧ **Service Representatives**
 - ✧ **Customer Advisors**
 - ✧ **Customer Executives**
 - Sales Persons**



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14.

CUSTOMER RELATIONS PROGRAMME

- **PROGRESS TO DATE**

- ✧ **Front line practices standardised (3 000 employees)**
- ✧ **Completed Customer Interface Training)**
- ✧ **140 Managers completed Customer Leadership Programme**
- ✧ **Definition and documentation of Management process**
- ✧ **Customer Service System with 30 application modules 450 functions in near completion**



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15.

FUTURE CUSTOMER SERVICE ISSUES

- **Service culture**
- **Payment for services**
- **National Electricity Regulator requirements**